

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Notice of Market Dominant
Price Adjustment

Docket No. R2017-1

CHAIRMAN'S INFORMATION REQUEST NO. 4

(Issued October 21, 2016)

To further clarify the Postal Service's Notice of Market Dominant Rate Adjustment in Docket No. R2017-1,¹ the Postal Service is requested to provide written responses or additional filings, when appropriate, to the following questions. Responses should be provided to individual questions as soon as they are developed, but no later than October 26, 2016.

Periodicals

1. On October 14, 2016, the Postal Service filed Excel file "Workshare Tables (Attachment B)" in response to Chairman's Information Request No. 1.² Please compare Excel file "Workshare Tables (Attachment B)," tab "FSSExit" (R2017-1 Model) with Docket No. ACR2015, Library Reference USPS-FY15-11, December 29, 2015, Excel file "USPS-FY15-11 PER_OC," tab "SUMMARY" (ACR2015 Model). The R2017-1 Model is updated from the ACR2015 Model to reflect the redistribution of FSS pieces to 3-Digit, 5-Digit, and Carrier Route price cells. However, all avoided cost figures submitted with the Notice "shall be developed from the most recent applicable Commission approved analytical principles."

¹ United States Postal Service Notice of Market Dominant Price Adjustment, October 12, 2016 (Notice).

² See Response of the United States Postal Service to Chairman's Information Request No. 1, October 14, 2016, question 1.

39 C.F.R. § 3010.12(f). Please provide Excel file “Workshare Tables (Attachment B),” with tabs “Periodicals Outside County,” “Per. Bundle-Container Pricing,” “Periodicals Within County,” and “Within County Worksheet” updated to reflect the data in the ACR2015 Model.

Standard Mail

2. Please refer to Library Reference USPS-LR-R2017-1/2, Excel file “CAPCALC-STD-R2017-1.xlsx,” tab “L-F-P Com. Cap Weights.”
 - a. Cell D68 shows a volume of 498,378 for Move Update Pieces. Please provide the source for that volume figure using the FY 2015 Quarter 4 and FY 2016 Quarters 1-3 Standard Mail Billing Determinants.
 - b. Cell D69 shows a volume of 369,678 for Picture Permit Imprints. Please provide the source for that volume figure using the FY 2015 Quarter 4 and FY 2016 Quarters 1-3 Standard Mail Billing Determinants.
 - c. Cell D48 shows a volume of 84,125 for the Nonbarcoded Surcharge. Please provide the source for that volume figure using the FY 2015 Quarter 4 and FY 2016 Quarters 1-3 Standard Mail Billing Determinants.
3. Please refer to Library Reference USPS-LR-R2017-1/2, Excel file “CAPCALC-STD-R2017-1.xlsx,” tab “L-F-P NP Cap Weights.”
 - a. Cell D69 shows a volume of 135,379 for Move Update Assessed Pieces. Please provide the source for that volume figure using the FY 2015 Quarter 4 and FY 2016 Quarters 1-3 Standard Mail Billing Determinants.
 - b. Cell D70 shows a volume of 254,999 for Picture Permit Imprints. Please provide the source for that volume figure using the FY 2015 Quarter 4 and FY 2016 Quarters 1-3 Standard Mail Billing Determinants.

4. As required by the Commission in the FY 2010 Annual Compliance Determination, March 29, 2011 (FY 2010 ACD), please provide an updated “schedule of future above-CPI price increases for Standard Mail Flats”. See FY 2010 ACD at 107.
5. The Postal Service states that “[e]ffective January 22, 2017, the name of Standard Mail will change to ‘USPS Marketing Mail.’” Notice at 26.
 - a. When does the Postal Service plan to require mailers of Standard Mail to complete this change to the mail piece indicia?
 - b. Will there be a transition period (during which mailers may use both the Standard Mail indicia as well as the USPS Marketing Mail indicia)? If so, approximately how long will that transition period last?

Package Services

6. The Postal Service files quarterly Alaska Bypass Billing Determinants with the Commission. For purposes of this request, please refer to the FY 2015 Quarter 4 and FY 2016 Quarters 1-3 Alaska Bypass Billing Determinants previously filed with the Commission³ and Excel file “CAPCALC-PACKSERV-R2017-1.xlsx,” filed October 12, 2016, in this docket.
 - a. Please confirm that the sum of the quarterly Alaska Bypass Billing Determinants for FY 2015 Quarter 4 and FY 2016 Quarters 1-3 is inconsistent with the consolidated Billing Determinants in Excel file “CAPCALC-PACKSERV-R2017-1.xlsx.” If not confirmed, please explain.

³ These were filed on March 2, 2016, March 25, 2016, June 28, 2016, and September 23, 2016, respectively.

- b. Please provide a revised Library Reference USPS-LR-R2017-1/5 that contains the consolidated Billing Determinants with linked references to the FY 2015 Quarter 4 and FY 2016 Quarters 1-3 Alaska Bypass Billing Determinants.
- c. Please explain all differences in the “Pieces” and “Pounds” columns between Excel file “CAPCALC-PACKSERV-R2017-1.xlsx” and the FY 2015 Quarter 4 and FY 2016 Quarters 1-3 Alaska Bypass Billing Determinants.

First-Class Mail

- 7. Please refer to the price changes for Keys and Identification Devices in Library Reference USPS-LR-R2017-1/1.⁴ Please confirm that the Postal Service experienced no volume and revenue for Keys and Identification Devices during FY 2015 Quarter 4 and FY 2016 Quarters 1-3. If not confirmed, please explain where the volume and revenue are reported. If applicable, please file amended workpapers.

⁴ Library Reference USPS-LR-R2017-1/1, First-Class Mail Workpapers, October 12, 2016, Excel file “CAPCALC-FCM-R2017-1.xlsx,” tab “FCM SP Price Comparison,” cells N4:Q17.

8. Please refer to the volume reported for Move Update Adjustment in FY 2015 Quarter 4 in Library Reference USPS-LR-R2017-1/1.⁵ Please reconcile this volume with the revised billing determinants filed in the FY 2015 Annual Compliance Report.⁶ If applicable, please file amended workpapers.

By the Acting Chairman.

Robert G. Taub

⁵ Library Reference USPS-LR-R2017-1/1, First-Class Mail Workpapers, October 12, 2016, Excel file "CAPCALC-FCM-R2017-1.xlsx," tab "Quarterly BDs," cell K34.

⁶ Docket No. ACR2015, Library Reference USPS-FY15-4 Errata, Excel file "FY15 FCM BDs_Rev_3-25-16.xlsx," tab "A-11 Move Update Adjustment," cell I9.